

MEMORANDUM

NATIONAL SECURITY COUNCIL

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MEMORANDUM FOR:

DR. KISSINGER

December 18, 1971

FROM: ON-FILE NSC RELEASE
INSTRUCTIONS APPLYRICHARD T. KENNEDY
HELMUT SONNENFELDT

SUBJECT:

Termination of Certain Radio Liberty and
Radio Free Europe Broadcasting Activities

The FY 1972 supplemental appropriation, enacted on December 15, 1971, cut \$4 million from our \$36 million request and will force a 7 percent reduction in the activities of Radio Free Europe and Radio Liberty. Even the \$32 million figure is dependent on our getting an extension to the Continuing Resolution past mid-January, since Congress will recess before the necessary authorization is enacted. Moreover, the high overseas termination costs involved in getting down to a \$32 million level threaten to eat further into next year's operating activities, in effect forcing a greater reduction.

To meet this problem and minimize the damage to the radios' activities, OMB, State and CIA are planning to use some of the funds in the CIA's termination trust fund. This will enable the radios to give notice of termination to affected employees by December 31 (contracts require six months notice). Without use of the trust funds, the high cost of terminating overseas employees would oblige RFE to cease broadcasting in one of its five languages and would require RL to cease operations altogether. Senator Ellender and Congressman Mahon are expected to agree to use of trust funds. Thus, State and CIA believe the radios' highest priority missions will remain intact:

- RFE can continue current operations by using the trust fund and \$600,000 in private donations originally planned for capital improvements.

ON FILE OMB WAIVER
INSTRUCTIONS APPLY

State Dept. review completed

- RL will be able to continue broadcasting in its nine highest priority languages, by using the trust fund, dropping broadcasts in nine lower priority languages, dropping broadcasts from Taiwan to the Eastern USSR, and closing the Institute for the Study of the USSR in Munich.

These arrangements will minimize the damage to the radios' operations in the near term. Moreover, they keep our options open to retain some or all of the affected activities if we can get a further supplemental later. (We have a case on grounds that dollar devaluation has raised greatly local costs.) Other options for retaining some of the activities such as the Munich Institute also are being examined.

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